



Generator Deactivation Assessment Lyonsdale (Retirement)

**A Report by the
New York Independent System Operator**

June 12, 2019

Background

On April 1, 2018, Lyonsdale Biomass, LLC's ("Lyonsdale LLC") Burrows Lyonsdale Generator ("Lyonsdale") was placed in an ICAP Ineligible Forced Outage ("IIFO") by the New York Independent System Operator ("NYISO"). The Generator Deactivation Assessment the NYISO performed to review Lyonsdale's entry into IIFO was completed on June 6, 2018. That assessment concluded that a Generator Deactivation Reliability Need (a "Need") was not identified for the Study Period.

On April 18, 2019 the NYISO determined that Lyonsdale submitted a complete Generator Deactivation Notice for the proposed retirement of the Lyonsdale unit. Because the retirement date requested in the Generator Deactivation Notice is prior to the expiration of the Lyonsdale IIFO, the Notice re-initiated the Generator Deactivation process.

Assumptions

This assessment evaluates the period five years from the conclusion of the 365-day notice period (April 18, 2020 – April 18, 2025) (the "Study Period") using the most recent reliability planning process base case updated in accordance with NYISO procedures. In accordance with the Reliability Planning Process base case inclusion rules¹, generation and transmission projects are added to the base case if they have met significant milestones such as that there is a reasonable expectation of completion of the project. There were no major changes in assessment assumptions as compared to the those used for the 2019-2028 Comprehensive Reliability Plan.

Consistent with the NYISO's obligations under its tariffs, the NYISO provided stakeholders with its shared governance process information on the modeling assumptions employed in conducting this assessment. Details of the study assumptions were originally reviewed with stakeholders at the May 3, 2019 joint Electric System Planning Working Group (ESPWG)/Transmission Planning Advisory Subcommittee (TPAS)/Interconnection Project Facilities Study Working Group (IPFSWG) meeting. The meeting materials are posted on the

¹ NYISO Reliability Planning Process Manual, July 5, 2018

NYISO's public website².

Findings

Pursuant to Section 38.3.5 of the NYISO Open Access Transmission Tariff ("OATT"), the NYISO in coordination with National Grid, LLC ("National Grid") reviewed the conclusions of the Lyonsdale IIFO Generator Deactivation Assessment and assessed whether the most recent base case from the reliability planning process would impact these conclusions. As the most recent base case from the reliability planning process included the assumption that Lyonsdale is out of the model, the NYISO concludes for the assessment of resource adequacy of the overall NYCA system and transmission security assessment for Bulk Power Transmission Facilities ("BPTF") that there are no resource adequacy or BPTF transmission security Needs. National Grid performed an assessment of their non-BPTF using the most recent base cases from the reliability planning process. National Grid found no transmission security related Needs on their non-BPTF due to the deactivation of Lyonsdale. The NYISO reviewed and verified the analysis performed by National Grid.

Conclusions

This assessment does not identify a Generator Deactivation Reliability Need following the deactivation of Lyonsdale for the Study Period. Lyonsdale LLC has satisfied the applicable requirements under the NYISO's Generator Deactivation Process to retire the Generator on or after July 18, 2019³. This concludes the Generator Deactivation Process for Lyonsdale.

² https://www.nyiso.com/documents/20142/6363970/03_Lyonsdale_StudyAssumptions.pdf/3b18cb6d-083c-8c8b-f0c1-6d9b45640e54

³ Lyonsdale Biomass, LLC must complete all required NYISO administrative processes and procedures prior to deactivation. The NYISO's determination in this Generator Deactivation Process does not relieve Lyonsdale Biomass, LLC of any obligations it has with respect to its participation in the NYISO's markets. If Lyonsdale Biomass, LLC rescinds its Generator Deactivation Notice or does not deactivate Lyonsdale between July 18, 2019 and April 18, 2021, then it will be required to submit a new Generator Deactivation Notice in order to deactivate the Generator, and will also be required to repay study costs in accordance with Section 38.14 of the OATT.